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MINUTES

May 18, 2001

**Room 102, State Capitol
Helena, Montana**

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed. Committee tapes are on file in the offices of the Legislative Services Division.

Exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of documents.

COMMITTEE MEMBERS PRESENT

Sen. Tom Beck (chairman)
Rep. Kim Gillan (vice-chairman)
Sen. Chris Christiaens
Sen. Vicki Cocchiarella
Sen. Mack Cole
Rep. Paul Sliter
Rep. Doug Mood
Rep. Brad Newman
Rep. George Golie
Rep. Mark Noennig

COMMITTEE MEMBERS ABSENT

Sen. Steve Doherty
Sen. Fred Thomas

STAFF PRESENT

Lois Menzies, Executive Director, Legislative Services Division (LSD)

Dave Bohyer, Director of Office of Research & Policy Analysis (ORPA), LSD
Karen Berger, Fiscal Services Manager, LSD
Ellen Garrity, secretary
Mary Vandenbosch, Resource Policy Analyst, LEPO
Krista Lee Evans, Resource Policy Analyst, LEPO
Stephen Maly, Research Analyst, ORPA
Larry Mitchell, Resource Policy Analyst, LEPO
Sheri Heffelfinger, Research Analyst, ORPA
Jeff Martin, Research Analyst, ORPA
Gordy Higgins, Research Analyst, ORPA
Susan Fox, Research Analyst, ORPA
Leanne Kurtz, Research Analyst, ORPA
Connie Erickson, Research Analyst, ORPA

VISITORS

Karolin J. Loendorf, Lewis & Clark County Commissioner
Representative Hal Jacobson, HD 54
Senator Glenn A. Roush, SD 43

COMMITTEE ACTION

- ? Adopted minutes from March 22 meeting (Christiaens)
- ? Assigned HJR 42 and HJR 21 to EQC. EQC will determine whether to conduct the studies separately or jointly. (Sliter)
- ? Assigned HJR 39 to the Law and Justice Interim Committee and directed that committee to work with all agencies impacted by sentencing codes. The motion included a request for financial help from those agencies. (Christiaens)
- ? Assigned SJR 22 to the Economic Affairs Interim Committee and recommended that the Economic Affairs Interim Committee; Legislative Finance Committee; and Children, Families, Health, and Human Services Interim Committee form a subcommittee consisting of not more than four members from each of the three committees being of equal party and house membership to undertake the SJR 22 study. (Sliter)
- ? Accepted the study recommendations for this interim as presented by staff and amended by the Legislative Council. (Christiaens)
- ? Decided not to provide funding for legislative travel for the Alberta trip and that future requests for travel be handled on a case-by-case basis. (Sliter)
- ? Approved the recommended 2001 operating budget change. (Sliter)
- ? Approved FY 2003 biennium operating budget, Program 20. (Sliter)
- ? Approved FY 2003 biennium operating budget, Program 21. (Sliter)
- ? Approved prices of \$95 for Session Laws and \$65 for History and Final Status and two volumes of second and third reading votes. (Sliter)

- ? Agreed that not more than \$3,500 be allocated to the Economic Affairs Interim Committee for the purpose of meeting in June. (Sliter)
- ? Adopted the proposed revisions to the Legislative Council Rules of Procedure with the exception of B7.3, which was inadvertently amended. (Christiaens)
- ? Agreed that the appointment of Sen. Tash to the Legislative Council on River Governance be delayed until Chairman Beck has fulfilled his term as chairman. (Sliter)

CALL TO ORDER AND ADOPTION OF MINUTES

Chairman Tom Beck called the meeting to order at 9 a.m. Sen. Christiaens moved that the minutes from the March 22, 2001 be adopted. The motion passed unanimously.

INTERIM STUDY ASSIGNMENTS

A. Input from resolution and bill sponsors

Sen. Glenn Roush (SD 43) testified in support of SJR 5, a study of veterans' issues. SJR 5 is a request from the State Administration, Public Retirement System, and Veterans' Affairs Interim Committee. Sen. Roush said veterans' issues are important, but there was not enough time to do this study last interim. It was brought to the Interim Committee's attention that there were many problems for Montana veterans securing service: ineffective complaint and grievance procedures, how state-level offices provide advocacy or coordination of services for Montana veterans seeking assistance from the VA; homelessness among veterans and options for addressing it; federal funds/grant programs that the state may be able to capture for veterans' services; and statutory definitions of "veteran".

Sen. Cole asked if Fort Harrison near Helena is the only Veterans' Hospital in Montana. Sen. Roush said there are ten veterans' clinics in Montana but many are inactive.

Sen. Christiaens asked if any outside financial assistance was available for the proposed study. Ms. Menzies said that no outside funds have been identified at this time; however, staff believes this study can be conducted within the funds allocated for the committee.

Chairman Beck said Sen. Hargrove called to voice his support for SJR 5.

Rep. Hal Jacobson (HD 54) testified in support of HJR 8, the elections study resolution. This resolution requests an appropriate interim committee with sufficient staff resources study Montana's voting systems and procedures, assess any problems, and identify ways to enhance the accuracy, security, and accessibility of voting systems in Montana. Rep. Jacobson said the Secretary of State, the Clerks and Records Association, and the League of Women Voters support this resolution. He also said the Secretary of State's office would be a participant in the study.

B. Overview of legislator poll results

- Exhibit #1 Memo from Dave Bohyer to Members of the Legislative Council re: Interim Study Poll
- Exhibit #2 Proposed Organizational Structure of Interim Committees and Activities
- Exhibit #3 Legislative Council Working Papers: A Review of the Interim Study Poll and Staff Recommendations

Mr. Bohyer reviewed the interim poll, staff recommendations, and staff considerations for assigning interim studies. The poll was mailed April 23 with a requested return date of May 2. Ballots were accepted through May 16. One hundred and twenty-eight ballots were returned, and 126 were counted.

The average score received by the studies was 1,192 points. The top three studies are HB 625 (interim study of school funding), HJR 27 (EQC oversight for EIS on proposed coal-bed natural gas resources development), and SJR 22 (interim study of health insurance and rising health care costs).

Three studies included in the poll were requested by bill: HB 2 (study on vacancy savings as a budgeting tool), HB 625 (education funding), and SB 162 (earmarking local government revenues).

Three factors guided staff recommendations: ranking in the pool, available staff resources, and available committee resources, including committee time and budget. The staff's recommendations are advisory only.

Rep. Newman said the two resolutions recommended today, SJR 5 and HJR 8, were both assigned to the same committee and require significant amounts of time. Mr. Bohyer said this is a concern, but they could be done.

Sen. Cocchiarella asked Mr. Bohyer if staff uses resources from NCSL, CSG, and other outside sources. Mr. Bohyer said staff relies on CSG, NCSL, Education Commission on the States, and numerous other resources.

HJR 21 and HJR 42

Rep. Sliter moved that HJR 21, study of management of forest fuels with the air quality concerns, be merged with HJR 42, study alternatives for funding fire suppressions, and both studies be conducted pursuant to the language in the third resolving clause in HJR 42.

Larry Mitchell, Legislative Environmental Policy Office (LEPO), said two different staffers wrote the study statements for these resolutions. The two studies could be melded, but they are two different,

distinct studies. One is an environmental study, and one is how to fund fire fighting efforts.

Rep. Sliter said if forest fuels are properly managed, fewer funds will be spent fighting fires.

Mary Vandebosch, LEPO, said EQC will allocate time for studies at its May meeting. The Legislative Fiscal Analyst would be involved in the fire fighting funding.

Rep. Sliter amended his motion to assign HJR 42 and HJR 21 to EQC, and EQC may decide whether to conduct the studies separately or jointly.

Rep. Sliter's amended motion passed unanimously.

HJR 39

Sen. Christiaens asked about HJR 39, study of criminal statutes. He said penalty provisions need to be reworked because sentences for identical offenses vary too much from judge to judge. The Law, Justice, and Indian Affairs Interim Committee began a sentencing study in fulfillment of SJR 14 (1999) but was not able to complete it.

Dave Bohyer, who will staff the Law and Justice Interim Committee, said the question is whether the committee does the study as outlined in the resolution or does only some of the items requested. The Law and Justice Interim Committee could do sections of HJR 39 if it sets aside some of its other assignments. The statutory role of the Law and Justice Committee is to act as a liaison with the Supreme Court and district courts, Attorney General, and Department of Justice.

Sen. Christiaens said legislators have been talking about this issue for about six years and said it is critical to move forward.

Sen. Christiaens moved to assign HJR 39 to the Law and Justice Interim Committee and that the Committee work with all of the agencies impacted by sentencing codes and that financial assistance come from impacted agencies. The motion passed with Rep. Newman voting no.

HJR 41

Sen. Cocchiarella said HJR 41, study transfer of territory between school districts, does not need a study or a committee.

Connie Erickson said the Education and Local Government Interim Committee could do the study. The bulk of the committee's work dealing with school funding will not begin until January. The committee will wait for the school-funding plan being prepared by the Governor.

Rep. Noennig asked if time is being allocated for judicial redistricting. Susan Fox said next session would be the ideal time for redistricting because it will allow current judges to complete their terms.

Chairman Beck said the Council will be having a strategy session soon. That will be the time to talk about scheduling the judicial redistricting study.

Lois Menzies said she is concerned because additional responsibilities are being added to the interim committees without anything being taken away. There is only so much research time available, and only so much money for committees to meet.

Susan Fox asked if there was some possibility that the judges could do the study. She said she could work with Mr. Bohyer and give the judicial redistricting idea back to the judges. This can be discussed in the strategy session next month.

SJR 22

Rep. Sliter said Sen. Keenan asked him to ask Sen. Christiaens if he would accept a recommendation from the Legislative Council that the Finance Committee be involved in the SJR 22 study. (Sen. Christiaens was one of the sponsors of SJR 22.) He suggested that a subcommittee be appointed using members of the Economic Affairs Interim Committee, Legislative Finance Committee, and Children and Families Interim Committee in order to give that issue a broader focus.

Sen. Christiaens said that he doesn't have a problem with extending the scope of the study.

Lois Menzies said that staff feels comfortable with blending membership from the three interim committees into a subcommittee to conduct the SJR 22 study. She said staff preference is to keep the Economic Affairs Interim Committee as the lead agency.

Rep. Sliter moved that the Legislative Council recommend that the Economic Affairs Interim Committee, Legislative Finance Committee, and Children and Families Committee form a subcommittee consisting of not more than four members from each of the three committees being of equal partisan and house division. The motion passed.

HJR 24

Rep. Gillan said that HJR 24, a study of annexation laws, was very close to receiving enough points to be assigned to a committee. Perhaps a white paper could be written on annexation. Rep. Gillan said that four years ago EQC did an extensive growth planning analysis that brought forward some legislative proposals. There might be an opportunity to build on some of the research done by EQC.

Mary Vandenbosch, LEPO, said EQC did receive a number of comments that indicated annexation

laws were an issue in growth planning. However, EQC focused its study on Title 76, and the annexation laws are in Title 7. EQC has not made its decision on studies and is limited in the number of subcommittees it can have.

Rep. Noennig said that HJR 24 is important but it would be worse to have a halfway-done study than none at all. He suggested the study could wait until next interim.

Chairman Beck said that the Montana Association of Counties and the League of Cities and Towns will probably come back next session with some recommendations on annexation laws.

Sen. Christiaens moved to accept the study recommendations for this interim as presented by staff and amended by the Legislative Council. The motion passed.

BUDGET ITEMS

A. Request for funding for legislative travel to Canmore, Alberta

Lois Menzies said resources are not available to reimburse legislators to attend the meeting in Canmore. The invitation for the meeting came from the Alberta Department of Agriculture. Ralph Peck, Director of the Department of Agriculture, said that his department has money to help offset travel costs. A large number of legislators are interested in the Alberta trip. Rep. Sliter said the Legislative Council cannot afford to send everyone interested, and there isn't time to review the requests.

Rep. Sliter moved that the Legislative Council not provide funding for legislative travel for the Alberta trip and that future requests for travel be handled on a case-by-case basis. The motion passed.

Sen. Beck said legislator travel should be an item for the strategy session. Should term-limited legislators receive funding for travel?

B. Update of FY 2002-03 budget

Ms. Menzies said that the Legislative Services Division went into the session with five new proposals; all were rejected in the first subcommittee hearing. A 4% vacancy savings was applied to the division as it was to all other state agencies. To help offset the pressure of the 4% vacancy savings, a personnel services contingency pool was created for the Legislative Branch, and \$200,000 was appropriated to the pool.

HB 13 also provides an additional \$430,000 for a market-based salary adjustment for Legislative Branch employees. The program for interim committees and activities also contains \$10,000 for River Governance activities, \$29,000 for the health insurance study, and \$10,000 for the education committee.

At the next meeting, Ms. Menzies said staff will present a proposal regarding information technology expenditures. The division currently has two full-time contractors providing network support. Staff would like to convert at least one of those contractors to a full-time employee.

C. Approval of operating budget for FY2002

Exhibit #4 LSD FY 2001 Operating Budget, Program 20
Exhibit #5 LSD 2003 Biennium Operating Budget, Program 20
Exhibit #6 LSD 2003 Biennium Operating Budget, Program 21

Karen Berger said that the three budgets relate to the two LSD programs: Program 20 (Operations Budget) and Program 21 (Interim Studies and Committee Activities).

FY 2001 Operating Budget

Ms. Berger said that at the end of last year the Council approved a change in operational budgets, moving money from operating to equipment, to cover costs anticipated in 2001. As it turned out, those costs are not in that particular category during this current year. Ms. Berger asked the Council to move the funds back to operations.

Rep. Sliter moved to approve the recommended 2001 Operating Budget change. The motion passed.

FY 2003 Biennium Operating Budget, Program 20

Rep. Sliter moved to approve FY 2003 Biennium Operating Budget, Program 20. The motion passed.

FY 2003 Biennium Operating Budget, Program 21

Rep. Sliter moved the adoption of FY 2003 Biennium Operating Budget, Program 21. The motion passed.

D. Approval of 2001 session publications prices

Ms. Menzies recommended the following prices:

- Session Laws - \$95
- History and Final Status and two volumes of second and third reading votes - \$65

Rep. Sliter moved to approve the recommended prices for session publications. The motion passed.

E. Request for funding additional meeting of Economic Affairs Interim Committee

Ms. Menzies said that SJR 22, study of health insurance, was assigned to the Economic Affairs Interim Committee. The Committee would like to meet this June to organize for the interim. Staff could then use the summer to conduct initial research on the health insurance study and other issues. Staff is asking the Council to approve funding for one committee meeting in June 2001.

Rep. Sliter asked how much was needed, and Ms. Menzies said it would be approximately \$3,300 from the FY 2001 budget. The money would come from discretionary funds that were earmarked in Program 21.

Sen. Cocchiarella said that the budget for this committee is larger than most. She asked why the additional money was needed. Ms. Menzies said that the money for the committee would not be available until July 1, 2001. The committee wants to meet in June in the current fiscal year and has expended its entire FY2000-01 budget.

Rep. Sliter asked why the committee couldn't have its first meeting after July 1, after the new biennium kicks in. Ms. Menzies said it would delay the beginning of the study, and it is often difficult to get people together in the summer.

Sen. Christiaens said that the Legislative Council has always met in July or August at Yellow Bay. It is possible to get a committee together.

Chairman Beck asked Ms. Berger how much is left in the discretionary fund. Ms. Berger said about \$34,000, which would revert to the general fund at this end of this fiscal year if it is not used. That figure does not project the fact that EQC will meet again. This Legislative Council meeting also will come out of the \$34,000. There may be some other expenses as well. Chairman Beck said he is in favor of the committee getting a head start on its studies rather than having the funds revert to the general fund.

Rep. Sliter moved that not more than \$3,500 be allocated to the Economic Affairs Interim Committee for the meeting in June. The motion passed with Sen. Christiaens voting no.

APPROVAL OF LEGISLATIVE COUNCIL MEETING DATES

Exhibit #7 Proposed Meeting Dates: Montana Legislative Council; 2001-2002 Interim

A. Regular meetings

Ms. Menzies distributed a list of proposed interim meeting dates, noting that the June 22 meeting conflicts with the Republican convention in Bozeman.

Sen. Christiaens moved to have the June meeting/strategy session on June 25. The rest of the meeting

dates are acceptable; however, the caucus should be scheduled sooner. The motion passed.

The caucus and legislator orientation dates will be discussed at a later date.

B. Strategic planning session

Ms. Menzies suggested that the strategic planning session be held at the Bear Tooth Game Range at the end of Holter Lake. The Department of Fish, Wildlife, and Parks said that the Council could use the facility. Volunteers at the facility prepare meals. Ms. Menzies said members could spend the night in Helena and take a van to the facility in the morning. She suggested a one-day session.

Ms. Menzies also suggested hiring a facilitator for the planning session. The cost of the facilitator has been built into the budget. She suggested the session not be held at the Capitol to limit the distractions.

Some members questioned whether all of the Council's business plus a strategic planning session could be completed in one day. Sen. Beck suggested that he work with Ms. Menzies to develop an agenda for a business meeting and strategic planning session. The members agreed to this approach.

ADOPTION OF REVISED LEGISLATIVE COUNCIL RULES OF PROCEDURE

Exhibit #8 Rules of Procedure, Montana Legislative Council

Ms. Menzies briefly reviewed the proposed changes to the Council's rules. Sen. Christiaens moved the adoption of the proposed revisions to the Rules of Procedure with the exception of B7.3, which was inadvertently amended. The motion passed.

APPOINTMENTS TO INTERGOVERNMENTAL ORGANIZATIONS

A. Membership to CSG/NCSL committees

Ms. Menzies said leadership periodically receives requests from organizations such as CSG and NCSL for appointments to subcommittees or task forces. Sometimes leadership makes those appointments, and sometimes they don't. There is no central clearinghouse for these appointments; therefore, there is no way to track them. Ms. Menzies mentioned that the Legislative Council is designated as the Montana commission on interstate and international cooperation under 5-11-301, MCA. She suggested that the Legislative Council may be the most appropriate entity to make these appointments, subject to the recommendations of leadership. This is the method used to appoint members to the Legislative Council on River Governance, which is an interstate committee.

Senators Beck and Christiaens suggested this subject be further researched for discussion at a later date.

B. Local international host committee

Ms. Menzies said on occasion, dignitaries from other countries visit Montana and stop in Helena. They want to meet with state legislators. These visits often occur on short notice. Ms. Menzies suggested forming a group of Helena-based legislators, or legislators willing to travel to Helena on short notice, to meet with the visitors.

Rep. Sliter recommended staff visit with some of the local legislators to see if there is interest in serving in this capacity. The Department of Commerce has been the coordinator of these visits in the past. He suggested leaving the final decision for a future meeting.

C. CSG Legislative Council on River Governance

Chairman Beck said that the Montana Legislative Council makes appointments to CSG-West's Legislative Council on River Governance with recommendations from the leadership. He recommended Senators Bea McCarthy and Bill Tash. He noted that CSG asked him to continue to chair the Council for one more meeting. Then Sen. Tash could replace him. (The House appointments were Representatives Aubyn Curtiss and Steve Gallus.)

Rep. Sliter moved that the appointment of Sen. Tash be delayed until Chairman Beck has fulfilled his term on River Governance Council. The motion passed.

Chairman Beck said he will invite Sen. Tash to attend the next meeting and will pay for his trip out of Senate President's discretionary funds.

VIII. LEGISLATIVE SERVICES DIVISION REPORTS

Exhibit #9 Interim Projects: Supporting the Legislature's Engagement in External Relations: River Governance and Montana-Alberta Bilateral Advisory Council

Exhibit #10 The 2001 Legislative Session at a Glance

Ms. Menzies distributed Exhibit #9 prepared by Stephen Maly. Mr. Maly's paper discusses the purpose of the River Governance Council and the Bilateral Advisory Council. Exhibit #10 was prepared by Ms. Menzies. The Session at a Glance is from an LSD perspective and provides staff workload statistics.

Ms. Menzies said she is in the process of compiling the results of two surveys conducted during the session. One survey is of all services provided by LSD. The second is specific to staffing and staff performance.

MONTANA JUDICIAL EDUCATION PROGRAMS

The Supreme Court has received a grant to develop a unified and integrated education program for the Montana judiciary. The grant is for \$30,000. The Supreme Court would like one or two legislators to serve as advisors in the development of this plan. Ms. Menzies said that additional information regarding this project will be presented at the June meeting.

ADJOURNMENT

The meeting adjourned at 12:50 p.m.